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## **Interagency Contracts Coordinating Team (ICCT)**

### **Meeting Minutes**

*December 13, 2005*

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**Attending:** Laura Nelson (OFM), Gary Banning (DOC), Melanie Buechel (OSPI), Tom Goldsby (L & I), Susan Johnsen (OFM), Meggan Leonard, (OSPI), Jim Matthews (DOH), John Nispel (DOC), Larry Oline (ESD), Nancy Ringstad (DOL), Mark Tyler (DSHS), and Megan McKay (OFM)

#### **IAA Template Subcommittee Report**

Mark Tyler gave a subcommittee update and provided a handout showing the chart of various IAA contracting terms (attached to the email). The subcommittee worked on a preliminary draft of the IAA but there are still some issues to work through. Mark stated that about 70-80 percent of the terms were similar among state agencies, which is a positive note.

The group reviewed the terms and agreed upon some additional revisions. The following are some of the highlights of the group discussion:

- Under "Governing Law and Venue" (which was added by DSHS), "US District Court" was removed.
- Under "Indemnification/Hold Harmless", the question was raised about who is responsible for the subcontractors. Some AGs will not sign/approve with the new clause as written by the subcommittee. There was discussion regarding the omission of the clause and Laura stated that it isn't currently in the OFM template. The ICCT agreed to delete the clause from the template.
- Nancy asked for clarification about which agencies the language actually pertains to and it was clarified that the language is used by the executive agencies.
- DSHS is currently struggling with the "Order of Precedence". The agency feels the "General Terms and Conditions" should always have precedence over any special terms of the contract. Jim indicated that is contrary to current thinking in which special terms take precedence over general terms.
- Nancy remarked that the "Statement of Work" could get very lengthy in order to include specific terms. DOH currently includes specific conditions and requirements in the "Statement of Work", which includes information and contract language as it pertains to each individual contract.
- Mark asked the group about "Ownership of Materials". The suggestion was made to change the language from ownership by a specific agency to the "State of Washington" and/or "Agency", depending on the circumstances. Laura suggested both options remain in parenthesis so that it becomes obvious a choice needs to be made.
- Tom raised the issue of an AGO opinion expressing caution with regards to this term, which lead to the L & I AG's decision not to use the clause at all. He will forward a copy of the AGO opinion to the ICCT group. The subcommittee will examine this clause again.
- Melanie offered to e-mail a copy of the OSPI clause to Mark for subcommittee review as well. OSPI has an additional version of this clause.

- The group removed "Subrecipients". Mark said that after the last ICCT meeting Anne Holm pointed out that the SAO believes this language is not needed in the template. Melanie shared OSPI's views and also believes the language is not necessary (when federal money passes to another state agency it becomes state money) and agreed with the removal of the clause from the IAA.
- The subcommittee agreed to adopt the "Waiver" clause used by CTED because they considered the language straightforward.
- Jim emphasized the need to review "naming" consistencies throughout this process. It was pointed out that this step will be included in the "Plain Talk" process.
- Larry asked about the layout of the contract language – is it going to be in alpha order or grouped by like-clauses? Mark explained the handout was arranged alphabetically for the purpose of discussion by the ICCT and for easy review.
- Laura notified Spencer Daniels that the ICCT subcommittee is currently working on a draft of terms and he asked that the draft be forwarded to him for review. Mr. Daniels also commended the group for taking on this task.
- Mark said the ICCT subcommittee will meet again and can report back in February.

### **Charting Our Own Course for Contracts**

Laura opened discussion and shared a draft of the "Contract Management As-Is Process" created by the Roadmap Business Process Modeling group. She pointed-out the procurement piece is not included in the draft because it will be a separate business model. Also, grant management was a separate business modeling process, although it will be combined with contracts management at a later date. Higher Ed is not included in an enterprise system because of their many different needs.

Laura asked the group to review the process and provide feedback on anything that might be missing or might have been misconstrued. The Roadmap Business Process Modeling group is meeting again tomorrow (December 14) and she hopes to share any feedback then. Please refer to this link for further information:

<http://www.ofm.wa.gov/roadmap/modeling.htm>

Points shared by the ICCT with regard to the Roadmap Business Process Modeling group draft:

- It was mentioned that "Assess Risks" was in the wrong place in the draft process.
- "Negotiations" is not currently included in the draft and there was group discussion about adding it back into the process because of benefits gained from negotiating.
- Nancy asked if Road Map is part of Smart Buying. Laura explained that Road Map was already in effect before Smart Buying and is taking a universal/enterprise approach to meet customer service needs regarding "back office" systems.

Laura asked the group for ideas about future contracting processes and contracting systems. The following remarks were shared:

- IT should not "wag the dog" but new processes and ideas should lead to new and improved systems.
- WEBS is an example of a new, improved system and it was noted that Tia Livingood currently does an excellent job of managing commodity codes.

- Nancy stated that WEBS is currently working very well for DOL. She feels it is easy to use and GA staff provide good customer service.
- Susan mentioned she recently heard about a private service that currently provides a centralized location for vendors to find procurement information – postings and requests for proposals, qualifications and quotations, etc. She believes the state should strive to provide this service to vendors.
- Nancy added that if all state agencies use WEBS, the system could become a centralized location for this information. She also feels that if nothing but a new oversight group comes from our efforts it will still make a huge difference in the contracting processes.
- Susan remarked that more sub-sub-object codes are needed under ER to provide better/more differentiation about services actually provided.
- Laura raised the issue of the multitude of contract number formats currently being used between the agencies and the problems it will cause when an enterprise system is developed. The contract system numbers must be consistent. Also, some small agencies don't currently use a numbering system at all. Nancy said she has already started work on simplifying DOL's numbering system in order to prepare for a central system.

### **Miscellaneous**

- Melanie asked about the risk-based audit training and if there were dates set yet. Laura replied that she had just received a draft report and hadn't had a chance to review it. She believes the training will take place in April or May.
- Nancy asked if there is a way of tracking contract training received by staff throughout the state. Laura replied that at this time the only tracking process is through OFM. OFM can send reports of staff who have attended training, at the agency's request.

### **NEXT MEETING**

**The next meeting will be January 10, 2006.** The meeting will again be held on the third floor of the General Administration building – Conference Room 331L, which is located next to the OFM Contract Services office. The meeting will be at the usual time, 1:30 p.m. to 3:30 p.m.

The agenda for next month's meeting will include:

- State Auditor's verbal report on issues related to the use of UBIs, Anne Holm
- Update on the Contracting Oversight Board Charter, Tom Goldsby

If you have suggestions for other agenda items, please contact Laura Nelson, 725-5259.

*Meeting adjourned at 3:10 p.m.*